

WATER POWER APPROPRIATIONS

FY26



DEPARTMENT OF ENERGY'S WATER POWER TECHNOLOGIES OFFICE (WPTO)

Research, Development, and Demonstration (RD&D) Funding

Recommendations:

NHA supports **\$225 million for the WPTO**, with **\$150 million for the marine energy program** and **\$75 million for the hydropower program**. Consistent and larger funding opportunities are needed for private sector-led optimization and scale-up of more advanced water power systems. Marine energy funding recommendations include increased support for a taskforce on regulatory improvements; system, subsystem, and component RD&D; testing infrastructure; the TEAMER and UMER program; and foundational research, operations, and workforce development activities at the university-based National Marine Energy Centers. Hydropower recommendations include: RD&D for new innovative turbine designs and approaches for hydropower and pumped storage, including improvements for fish passage; artificial intelligence and machine learning applications to improve operations and maintenance; and workforce development activities to promote the next generation of hydropower professionals.



DEPARTMENT OF ENERGY'S GRID DEPLOYMENT OFFICE (GDO)

Section 243 Hydroelectric Efficiency Incentive:

NHA supports **\$140 million for the program**, which was first authorized by Section 243 of the Energy Policy Act of 2005, but was never previously funded before the Bipartisan Infrastructure Law (BIL) provided an initial \$75 million. In 2024, GDO announced the selection of 46 projects across 19 states to receive funds. In this one and only round of funding, **the program was significantly oversubscribed**. GDO received **93 applications totaling almost \$200 million**. The program supports owners and operators of existing hydropower facilities, including pumped storage, to make capital improvements that can improve efficiency by at least 3 percent. **The 2024 round of awards saw an average efficiency increase of 14 percent.**



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Section 247 Maintaining and Enhancing Hydroelectricity Incentives:

NHA supports **\$300 million for the program** established under the BIL to maintain and enhance existing hydropower facilities to ensure continued generation of affordable, reliable, baseload hydroelectricity through grid resiliency improvements, to improve dam safety and increase environmental performance. The BIL provided approximately \$554 million for the program. In 2024, GDO received **599 letters of intent for round 1 of funding with requests totaling \$823 million**. GDO selected 293 projects across 33 states totaling \$430 million. **The program is expected to run out of funding in the next round.**

DEPARTMENT OF DEFENSE'S NAVY ENERGY PROGRAM (NEP)

Marine Energy for Sensors and Tactical Microgrids:

NHA supports **\$20 million for the Navy Energy Program** to accelerate the development and incorporation of marine energy technologies for national security applications. Marine energy systems are uniquely positioned to provide **predictable power for future naval capabilities**, including persistent surveillance, tactical shore power, and communications nodes. In addition, marine energy systems can increase the resiliency and security of DOD facilities by providing redundant generation options.

DEPARTMENT OF DEFENSE'S INNOVATION UNIT

Marine Energy for At-sea Charging:

NHA supports **\$15 million for the Defense Innovation Unit** to accelerate the development and incorporation of marine energy technologies for **unmanned undersea and surface vessel recharging**, or other applications where legacy methods of power delivery are not available or are significantly limited.



For questions, contact Matthew Allen (matthew@hydro.org)